

State of California—Health and Human Services Agency
Department of Health Services



GRAY DAVIS
Governor

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Director

TO: All County Welfare Directors
All County Administrative Officers
All County MEDS Coordinators/Liaisons
All County Medi-Cal Program Specialists/Liaisons
All County Mental Health Directors
All County Health Executives

Letter No.: 02-23

HEALTHY FAMILIES PARENTAL EXPANSION IMPLEMENTATION

This letter is the first of several letters that will provide counties with instructions for the changes that will take effect because of the Healthy Families Parental Expansion waiver. The waiver extends Healthy Families Program (HFP) coverage to eligible parents, caretaker relatives, and certain legal guardians.

This package includes an overview of the waiver and program criteria, implementation instructions, client notification information, file clearance information, county processes, and upcoming changes. Some of these changes will be phased in and separate implementation instructions will follow.

Overview and Program Criteria

Contingent on funding, California's §1115 State Children's Health Insurance Program Waiver will extend HFP insurance coverage (medical, dental, and vision) to eligible uninsured parents (natural, adoptive, or step), caretaker relatives, and certain legal guardians of children eligible for HFP or no-cost full-scope Medi-Cal. The waiver seeks to demonstrate that by extending health coverage to these individuals, the number of low-income children that enroll in the program will increase and children will maintain health insurance coverage for a longer period. The anticipated implementation date for these changes is dependent upon passage of a budget appropriation for the HFP expansion, except that Accelerated Enrollment and application tracking (described below) will begin July 1, 2002.



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For an adult to be eligible for benefits under HFP, he or she must be a "child-linked adult." A child-linked adult is someone 19 years or over who is a:

- Parent (natural or adoptive) and/or stepparent living in the home with a child (under 19) who is enrolled in HFP or no-cost full-scope Medi-Cal.
- Caretaker relative living in the home with a child (under 19) who is enrolled in HFP or no-cost full-scope Medi-Cal.
- Legal guardian who meets 1931(b) program criteria living in the home with a child (under 19) who is enrolled in HFP or no-cost full-scope Medi-Cal.

Additionally, the child-linked adult must meet all the following requirements:

- Be ineligible for no-cost full-scope Medi-Cal (or denied full-scope Medi-Cal due to excess resources or no deprivation) and ineligible for Medicare Part A or B at the time of enrollment in the program.
- Be a resident of the State of California.
- Be in a family with monthly household income, after certain income deductions, at or below 200 percent of the federal poverty level.
- Be a citizen or national of the United States or meet the definition of a qualified alien.
- Provide all information, documentation, and declarations required by HFP, including income, residency, and citizenship/immigration status. If the child-linked adult is American Indian or Alaska Native, acceptable documentation must be submitted to exempt the family from contribution payments and benefit co-payments.

In order to receive services, the applicant must provide a required family contribution by personal check, cashiers check or money order for the first month or the first three months for the fourth month free.

The county welfare department (CWD) shall be responsible for using the above criteria when referring the applicant or beneficiary to the HFP when requested to do so.

Implementation Instructions

In an effort to provide better service to clients, allow for a more efficient data collection process and prevent fraud, client application information will be shared between Single Point of Entry (SPE), HFP, Medi-Cal Eligibility Data System (MEDS), and the counties. The sharing of information will allow linkage between eligible adults and children. This linkage will be done by using the Client Index Number (CIN).

SPE will screen the initial HFP/Medi-Cal joint applications. The screening process will enable the application to be forwarded to the appropriate program for processing. The screening processes will also be used by the Healthy Families Administrative Vendor (HFAV) for applications to add a person and for the redetermination process, but not at SPE.

1. County Roles and Responsibilities

Effective July 1, 2002, when an application is forwarded from SPE or HF, CWD will process the application following Medi-Cal regulations and notify SPE of the following:

- CIN: When the county receives an application from SPE or HF with an incorrect or missing CIN, the county will notify SPE or HF of the correct or assigned CIN.
- Application denial statuses: counties will be required to update MEDS with the denial statuses of applications received from SPE or HF. This is so that SPE can track the status of those applications referred to the counties. This is also because Accelerated Enrollment is terminated if the application forwarded to the CWD is denied. A separate All County Welfare Director's Letter (ACWDL) will follow with specific instructions.

Effective July 1, 2002, when a Medi-Cal applicant or beneficiary is determined not eligible to no-cost full-scope Medi-Cal and the individual who has requested HFP appears to be eligible for HFP, CWD shall forward the application to HF for processing using the following guidelines:

1. Forward a copy of the application to HF along with a transmittal form.
2. Photocopy the following documents for those individuals requesting HFP and attach it to the application:
 - Birth certificate (if available)

- Immigration verification (if available)
 - Proof of residency (if available)
 - Proof of tribal affiliation (American Indian or Alaska Native) (if available)
 - Copy of the Medi-Cal Notice of Action sent to the client, showing either the share-of-cost (SOC) amount or the denial of a Percent Program (mandatory)
 - Copy of the Medi-Cal Budget Computation Worksheet (computer printouts are acceptable) (mandatory)
3. Send a letter to the applicant/beneficiary stating that the application has been referred to HFP for processing (if applicable).
 4. Report these applications to MEDS as pending.

Separate ACWDL will follow with specific instructions.

2. Single Point of Entry

As part of the screening process, SPE will review the application and contact the applicant for additional or missing information, assign CINs, and establish Accelerated Enrollment (AE) for children under 19, if applicable. SPE will notify the applicant when an application is forwarded to Medi-Cal, or when the client is determined to be receiving no-cost full-scope Medi-Cal. SPE will have additional responsibilities resulting from this waiver, such as:

- Obtaining a unique CIN for all children and adults in the household that are applying for benefits, this will allow linkage with MEDS;
- Obtaining a CIN (if available) for other members in the household listed in section three of the application;
- Regularly checking MEDS for Medi-Cal eligibility status in order to substantiate eligibility for the child-linked adult (if the linkage does not occur, parents will be eligible for HF for only two months and disenrolled);
- Posting AE eligibility to MEDS that will generate the mailing of a Beneficiary Identification Card (BIC) directly to the family;

- Creating a call back unit to assure each application has the core data elements needed for CIN selection purposes and income amounts, if missing.
- Preparing management reports for the status of applications.
- Providing a liaison between the HFAV and the counties.

3. **MEDS**

MEDS will:

- Be updated with application data from SPE, HFP, and counties. This includes the reporting (**by the counties**) of pending applications received from SPE or HF.
- Carry the HFP parent eligibility. HFP parent eligibility will be in the special program segment (HFAMILY) as are HF children. The aid code for child-linked adults will be 9T. Children will continue to be 9H.
- Forward information to SPE for application tracking from county application information reported to MEDS.
- Monthly, at mid-month, receive a file from SPE that contains the CINs of the children who need to link to adults on HF. MEDS will send a response file to SPE that contains the Medi-Cal statuses of those children. HF will then, based on that information, either continue or discontinue the child-linked adult's HF eligibility.
- Identify Statewide Client Index (SCI) updates from SPE with the same flag used for HFP updates to SCI (HF known to flag).
- MEDS will store AE (Aid Code 8E) in the HFAMILY segment. MEDS will stop AE (Aid Code 8E) in the HFAMILY segment at the end of the MEDS month in which the county sends a MEDS transaction of Medi-Cal approval or denial.
- MEDS online screens and batch transactions will be revised to capture additional information needed for application tracking and linking children to adults.

- The aid code for legal guardians will be 0G, and will be stored in the primary segment. The original aid code will also need to be reported with the Legal Guardian aid code.
- The aid code for the two-month Bridging program (from HFP to Medi-Cal) will be 7Y, and will be stored in the HFAMILY segment. This Bridging program will include both adults and children. Medi-Cal to Healthy Families will continue to be 7X.
- The Aid Code 7X edits will be modified to allow up to two months of eligibility, and will include adults as appropriate.

4. CIN Assignment and Application Tracking

Counties will need to review, and probably revise, their file clearance and application processing procedures to ensure that county application and county eligibility determination information is appropriately linked to SPE applications and HF eligibility. Since county clients may apply for HF after applying for services at the county, and since the Social Security number is not required to be reported when applying for HF, counties will need to report all applications to MEDS to minimize duplicate CIN assignment. A separate ACWDL will be issued with more detailed information on file clearance/CIN assignment and application reporting requirements.

The unique client identifier for the HFP and for MEDS is the CIN. SPE will be responsible for performing file clearance and assigning CINs for all individuals applying for benefits on joint HFP/Medi-Cal applications sent to SPE. In many cases, the client will be on the SCI. SCI and SPE will find and use an existing CIN. In some cases, the client will not be on SCI and a new CIN will be assigned by SCI. In some cases, the client will be on SCI but SPE will not find the record and will instead request that a new CIN be assigned by SCI. If the application does not contain adequate information for file clearance purposes and SPE Callback staff is not able to obtain that information within four days, a CIN will not be assigned to this individual by SPE.

When a county receives a transmittal form with missing CINs, county staff will need to locate a CIN or obtain a new CIN for each client who does not have a CIN listed. Once county staff have either located or obtained CINs for clients who do not have CINs on the SPE transmittal sheet, the updated sheet will need to be returned to SPE. Counties will need to gather additional information, if necessary, and do file clearance against their county system, SCI, and MEDS to determine whether the client is already known. If the client is not known to MEDS or SCI, the county will need to get a CIN assigned. If the county's client files are maintained in either Los Angeles Automated Determination Evaluation and Reporting (LEADER) or Interim Statewide Automated Welfare System (ISAWS), CIN assignment will occur as part of the file clearance/registration process.

Otherwise, the county will need to check for the new CIN, which will be assigned during the MEDS update process, on the day after the county reports the application to MEDS.

If the file clearance process identifies multiple MEDS records for a client, the county will need to do EW11s as necessary to combine/link the multiple MEDS records and then report the MEDS CIN to SPE.

- When the transmittal form has a CIN but not an SSN for a client whose records are not maintained on LEADER or ISAWS, the county will need to include the CIN on the application transaction sent to MEDS. Further, if the client is known to the county system and has previously been reported to MEDS, the county will need to verify that the CIN on the transmittal form points to the MEDS record associated with the county case number.
- When the transmittal form has a CIN that is different from the CIN on the county system for a client whose records are maintained on LEADER or ISAWS, the county will need to verify that the CIN on the transmittal form points to the same MEDS record as the county CIN.

Transmittal Forms

There will be new transmittals used by SPE, HFP, and CWD to transmit Medi-Cal/HFP applications. The transmittal forms will have two primary functions: to transmit CIN information and to refer the application back to SPE for HFP. These forms are in the process of being developed. An ACWDL with instructions and a copy of the forms will follow.

- SPE or HF will forward a computer generated transmittal form whenever an application is being referred to Medi-Cal for processing. The county will be required to respond to SPE or HF when a new applicant's CIN is issued or when the CWD is returning the application to SPE for a HFP determination. It is important that the explanations for returned applications are clear on the transmittal form.
- CWD will complete the County Summary Transmittal form when referring applications. This form will contain the list of all cases that are being forwarded to SPE for HFP determinations.
- CWD will complete the County Transmittal form for each referral whenever an application is being referred to SPE for HFP determinations. The form will be used by CWD to refer the application of those individuals not eligible for full-scope no-cost Medi-Cal, unless the beneficiary indicates that HFP is not requested. CWD will complete the transmittal, and forward it to SPE along with the most recent application, Notice of Action and budget worksheets.

Reporting/Tracking

SPE will provide to the State a monthly report that includes the disposition of applications (by individual) received at SPE for both HFP and Medi-Cal. The statuses of joint HFP/Medi-Cal applications will be available on the Managed Risk Medical Insurance Board website: <http://www.mrmib.ca.gov>.

SPE will modify its system so that monthly (at mid-month), it will send a file to MEDS containing a list of clients in applications that were forwarded to the counties with no final disposition. MEDS will send a monthly response file to SPE that contains Medi-Cal statuses (this file does not contain denied application information). SPE will use the CWD application transaction information forwarded from MEDS to update denial status.

SPE's tracking system will track applications by the following elements:

- Date application is received
- Name of applicant
- Unique number (similar to a case number). This is the Document Control Number
- Bar code number
- Identification of applications assisted by a certified application assistant
- CINs associated with each unique number
- Date forwarded to either HFP or Medi-Cal
- Date received or returned from the county when applicable
- County office
- Date disposition determined

Proposed Change Notification (Separate ACWDLs to Follow)

Because of HFP Parental Expansion, the State is modifying the initial waiver request to include several program initiatives:

- AE for all children applying at SPE who appear eligible for no-cost Medi-Cal as a result of the screening process. The Medi-Cal eligible child will be provided with immediate temporary coverage while CWD makes a final determination of their eligibility. SPE will authorize no-cost full-scope Medi-Cal for the potentially eligible Medi-Cal child and MEDS will issue a BIC. AE will end when the county sends a MEDS transaction approving or denying the child. New Aid Code 8E, Title XIX. In counties with County Organized Health Systems, applicants will be enrolled in those systems.
- Bridging Programs will be standardized and expanded (to two months) to include:
 - The Medi-Cal to HFP Bridge when a redetermination indicates the family is no longer eligible for no-cost Medi-Cal and appears eligible for HFP. No new aid codes are anticipated – the “child-linked” adult will be in the same Aid Code 7X as their children.
 - The HFP to Medi-Cal Bridge when redetermination indicates the family is no longer eligible for HFP and appears eligible to Medi-Cal. New Aid Code 7Y for parent/child.
- Section 1931(b) Disregard Program (1931-DP) changes to income and property that occur from one annual redetermination (or from initial eligibility) to the next annual redetermination will be disregarded for adults under Section 1931(b) program. No new aid code. Please note that this program initiative is still pending federal approval.
- Legal Guardian coverage is for an adult who can receive Medi-Cal aid if he or she meets the Section 1931(b) program criteria. New Aid Code will be 0G, with the original aid code being displayed in the secondary field. Adults who are not eligible for Section 1931(b) Medi-Cal may be enrolled in HFP if their income is below the HF limit and they meet other HFP requirements.
- The State will standardize the documentation rules between Medi-Cal and HF. This will include the use of federal tax forms (1040), allowing the applicant to provide a sworn statement, as a last resort, when verification is not available.

Informing Notification

DHS will send a flyer one month before the implementation of the parental expansion program. The flyer will inform households with potentially eligible adults about the HFP Parental Expansion program, and how to apply. They will need to request an application by calling the outreach line at **1-888-747-1222**.

This information will be sent to households with children under 19 years of age who are receiving aid under Aid Codes 20, 34, 3N, 47, 60, 64, 6H, 6V, 6X, 72, 7A, 7J, 82, 8P, and 8R where the adults are on SOC Medi-Cal or not full-scope Medi-Cal eligible.

Should you have any questions regarding these instructions, please contact Ms. Beverly Binkier at (916) 651-8698. If you have any questions regarding the system processes or any MEDS related issues, please contact Ms. Marlene King at (916) 657-0134.

Sincerely,

ORIGINAL SIGNED BY

Richard Brantingham
Acting Chief
Medi-Cal Eligibility Branch